PROPOSAL FOR DISCUSSION PURPOSES ONLY

Southgate Water Company

SCHEDULE NO. 2

METERED RATE SERVICE

Available

Within the limits of all Water Service Areas and at utility's option and capability to maintain Department of Health standards of quantity and quality.

Applicable

Applicable to domestic residential customers served by the utility on a metered basis.

Conditions

The charge for this service is not subject to cancellation or reduction for seasonal or temporary periods, unless seasonal rates apply per this tariff. This charge will be the monthly minimum bill for this class of service.

Monthly Rates

Each connection or customer

<u>Usage</u>	Proposed Rate/1000 Gallons (or portion thereof)
3/4-inch service up to and including 10,000 gallons per month	\$50.00 per month
From 10,000 gallons up to 40,000 per month	\$1.00 per 1,000 gallons
Gallons in excess of 40,000 per month	\$3.00 per 1,000 gallons